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DEPARTMENT OF THE AIR FORCE
HEADQUARTERS UNITED STATES AIR FORCE
WASHINGTON 25, D. C.

REPLY TO:

Eastern District
Auditor General
Comptroller, USAF
Liaison Office
P. O. Box 8155
S. W. Station
Washington, D. C.

20 May 1959

SUBJECT: Report of Audit of CPFF Subcontract Purchase Order No.
100-7 Fairchild Camera & Instrument Corp. Syosset,
New York. Under Prime Contract No. AF33(600)-37230
(RT-100) Lockheed Aircraft Corporation Missiles and
Space Division Palo Alto, California
Period: 1 September 1958 to 31 March 1959

TO : Contracting Officer

1. We have completed an interim audit of cost incurred under
subject subcontract from inception thru 31 March 1959 with the
following results, which are detailed in Exhibit A:

Costs billed thru 31 March 1959	
(exclusive of Fixed Fee)	\$46,296
Costs questioned	1,520
Amount provisionally approved	<u>\$44,776</u> *

* Subject to comments contained in Par. 3.

2. Fixed Fee billed to date, based on percentage of completion
as of 28 February 1959, on audit Invoice No. 6 was \$3,466.

3. The amount shown above as provisionally approved is subject
to the following:

a. The satisfactory receipt and acceptance of the contract
items.

b. The subsequent determination that the quantities of materials
procured are reasonable and necessary to the requirements of the
subcontract. We are unable to determine this at the present time
because end-item units are in varying stages of completion.

4. Subcontractor's Reaction to Auditor's Findings:

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Findings of the auditor were discussed on 7 May 1959 with [redacted] Project Contract Administrator and [redacted] Asst. Acctg. Mgr. The subcontractor will submit the Purchase Order mentioned in Exhibit A, Note (B) for the approval of the Contracting Officer.

5. Government Property:

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Our findings with respect to Government property procedures, which were also reviewed, are contained in Audit Report No. 461.

[redacted]
Liaison Officer
Eastern District
Auditor General